



**STATEMENT OF PROCEEDINGS  
FOR THE SPECIAL MEETING OF THE  
LOS ANGELES COUNTY AUDIT COMMITTEE**

**KENNETH HAHN HALL OF ADMINISTRATION  
500 WEST TEMPLE STREET, ROOM 374  
LOS ANGELES, CALIFORNIA 90012**

**Wednesday, March 20, 2013**

**10:30 AM**

AUDIO LINK FOR THE ENTIRE MEETING. (13-1458)

**Attachments:** [AUDIO](#)

Present: Member Nedra Jenkins, Member Francisco Chabran,  
Member Lisa Mandel and Member Michelle Vega

Absent: Chair Dorinne Jordan, Vice Chair Carl Gallucci,  
Member Louisa Ollague, Member Genie Chough and  
Member Lori Glasgow

Call to Order. (13-0983)

**Nedra Jenkins called the meeting to order at 10:40 a.m.**

**I. ADMINISTRATIVE MATTER**

1. Approval of the December 5, 2012 minutes. (13-0984)

**On motion of Francisco Chabran, seconded by Lisa Mandel, this item was approved.**

**Attachments:** [SUPPORTING DOCUMENT](#)

**II. OLD BUSINESS**

2. Trinity Youth Services, Sites: El Monte, Apple Valley, Yucaipa, and Norco, Contract Compliance Monitoring Reviews (9/30/11) (Continued from meeting of 11/2/11, 2/1/12, 3/7/12, 8/1/12, 9/5/12 and 12/5/12). (11-4653)

**Michael McWatters, Auditor-Controller, requested that this item be discussed at the Children's Cluster meeting.**

**On motion of Lisa Mandel, seconded by Francisco Chabran, this item was referred to the Children's Cluster meeting and continued to the June 5, 2013 Audit Committee meeting.**

**Attachments:**    [SUPPORTING DOCUMENT - PROB REPORT](#)

3. Murrell's Farm and Boys Home Contract Compliance Monitoring Review (9/27/11) (Continued from meeting of 2/1/12, 3/7/12, 8/1/12, 9/5/12 and 12/05/12). (11-5058)

**Michael McWatters, Auditor-Controller, reported that at the request of Audit Committee and Department the review commenced on March 12, 2013. A selection of transactions is being reviewed; a preliminary report will be provided at the next meeting.**

**At the request of Nedra Jenkins, Mr. McWatters agreed to provide a draft report at an upcoming Children's Cluster meeting.**

**In response to Lisa Mandel, Karen Richardson, Department of Children and Family Services (DCFS) stated that the agency has submitted a plan of action and will provide a report on the preliminary findings at the next meeting; 12 children are currently placed with the agency.**

**On motion of Lisa Mandel, seconded by Francisco Chabran, this item was continued to the June 5, 2013 Audit Committee meeting.**

**Attachments:**    [SUPPORTING DOCUMENT - SEPT. 2011 DCFS REPORT](#)  
[SUPPORTING DOCUMENT - SEPT. 2012 DCFS REPORT](#)

4. Little People's World, Inc. - A Group Home Foster Care Contract Provider - Fiscal Review (Continued from meeting of 2/1/12, 3/7/12, 8/1/12, 9/5/12 and 12/05/12). (12-0165)

**Michael McWatters, Auditor-Controller, reported that the review has been completed, a draft report is being analyzed and a status update is expected to be presented at the next Children's Cluster meeting.**

**On motion of Lisa Mandel, seconded by Francisco Chabran, this item was referred to the Children's Cluster meeting and continued to the June 5, 2013 Audit Committee meeting.**

**Attachments:**    [SUPPORTING DOCUMENT - AC REPORT](#)  
[SUPPORTING DOCUMENT - APRIL 2012 DCFS REPORT](#)  
[SUPPORTING DOCUMENT - OCT. 2012 DCFS REPORT](#)

5. Children's Homes of Southern California Group Home Contract Compliance Monitoring Review (7/26/12) (Continued from meeting of 9/5/12 and 12/5/12). (12-3943)

**In response to questions posed by Lisa Mandel, Arlene Barrera, Auditor-Controller, reported that the fiscal review has been completed and is currently in the 90 day appeal process; 90 days comes to a close on May 23, 2013. Karen Richardson DCFS reported that no unauthorized absences (AWOLS) have been reported; however, she will confirm with the I-Track System provider and report back results at the next meeting. A status update on the Community Care Licensing (CCL) citations will also be provided.**

**Nedra Jenkins requested that this item be continued to the next Audit Committee meeting in June.**

**On motion of Lisa Mandel, seconded by Francisco Chabran, this item was continued to the June 5, 2013 Audit Committee meeting**

**Attachments:**    [SUPPORTING DOCUMENT - JULY 2012 DCFS REPORT](#)  
[SUPPORTING DOCUMENT - JAN. 2013 DCFS REPORT](#)

6. Hillsides Group Home Contract Compliance Monitoring Review (8/10/12)  
(Continued from meeting of 12/5/12). (12-5363)

**Karen Richardson, DCFS, reported that they are in the review process and no findings have been established. The final report will be completed by the end of the month.**

**On motion of Lisa Mandel, seconded by Francisco Chabran, this item was referred to the Children's Cluster meeting and continued to the June 5, 2013 Audit Committee meeting.**

**Attachments:**    [SUPPORTING DOCUMENT - DCFS REPORT](#)

7. Teens Happy Home Group Home Contract Compliance Monitoring Review  
(8/23/12) (Continued from meeting of 12/5/12). (12-4445)

**Michael McWatters (A-C) reported that an allegations review has been completed; draft report is in the process of clearance and will be available in the next couple of weeks.**

**On motion of Lisa Mandel, seconded by Francisco Chabran, this item was referred to the next Children's Cluster meeting and continued to the June 5, 2013 Audit Committee meeting.**

**Attachments:**    [SUPPORTING DOCUMENT - DCFS REPORT](#)

8. Personal Involvement Center, Inc. - A Department of Mental Health and Department of Children and Family Services Contract Service Provider - Contract Compliance Review - Fiscal Years 2009-10 and 2010-11 (8/30/12) (Continued from meeting of 12/5/12). (12-4161)

**Maria Becerra, Auditor-Controller, reported that the June 30, 2012 financial statement received from the agency reflects fiscal viability and the January and February payments have been made under a County repayment plan.**

**Diana Flaggs, DCFS, reported that the agency is expected to complete the payments by the end of 2013.**

**On motion of Lisa Mandel, seconded by Francisco Chabran, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT - AC REPORT](#)

9. Sand Hill Group Home Inc., Group Home Contract Compliance Monitoring Review (9/4/12) (Continued from meeting of 12/5/12). (12-4524)

**Karen Richardson DCFS, reported that a review of the agency was conducted in December 2012, they have five child placements and are in compliance with 8 out of 10 CCL citing's; their Needs and Services Plan (NSP) was submitted timely.**

**In response to Lisa Mandel, Ms. Richardson stated that initially there may have been some miscommunication however the agency's director has been more receptive of the department's findings and there are no issues to report, the new report will be posted soon.**

**On motion of Lisa Mandel, seconded by Francisco Chabran, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT - DCFS REPORT](#)

10. Moore's Cottage Group Home Contract Compliance Monitoring Review (9/24/12) (Continued from meeting of 12/5/12). (12-4848)

**Karen Richardson, Department of Children and Family Services, reported that a follow up of the medical and dental issues, previously presented, has concluded that the agency had insufficient documentation. There are currently four placements at the agency and staff has been notified of the importance of confirming the children are up-to-date with medical and dental issues.**

**Francisco Chabran referenced an Internal Revenue Service debt by the agency and asked when the next Auditor-Controller audit will be performed.**

**Michael McWatters, Auditor-Controller, reported that the issue is being analyzed by the Auditor-Controller's Office of County Investigations and an update will be provided at the next Audit Committee meeting.**

**On motion of Lisa Mandel, seconded by Francisco Chabran, this item was continued to the June 5, 2013 Audit Committee meeting.**

**Attachments:**    [SUPPORTING DOCUMENT - SEPT. 2012 DCFS REPORT](#)  
[SUPPORTING DOCUMENT - JAN. 2013 DCFS REPORT](#)

11. South Bay Bright Future Group Home Contract Compliance Monitoring Review (10/3/12) (Continued from meeting of 12/5/12). (12-4836)

**Karen Richardson DCFS reported that no issues with dental assessments or children's awareness of their rights in relation to psychotropic medication were found.**

**In response to Nedra Jenkins, Ms. Richardson explained that the children were interviewed for the purpose of determining whether they were or were not aware of their rights in relation to psychotropic medication.**

**Francisco Chabran referenced an ongoing appeal by the agency related to citations issued by CCL and instructed Karen Richardson, DCFS, to provide all Audit Committee members with an update of the appeal, via email, as soon as possible.**

**On motion of Lisa Mandel, seconded by Francisco Chabran, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT - DCFS REPORT](#)

12. Penny Lane Group Home Contract Compliance Monitoring Review (10/5/12) (Continued from meeting of 12/5/12). (12-4837)

**Karen Richardson, DCFS, provided an overview of protocols to be followed by staff resulting from an assault incident that occurred at the facility.**

**On motion of Lisa Mandel, seconded by Francisco Chabran, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT - DCFS REPORT](#)

13. B & I Group Home Contract Compliance Monitoring Review (10/9/12) (Continued from meeting of 12/5/12). (12-5377)

**Karen Richardson reported that a review was conducted in February 2013 and issues with vehicle repairs have been corrected. CCL complaint about employee misconduct was resolved, NSP's needed to be signed off by social worker's and training documentation was missing from personnel files.**

**In response to Francisco Chabran, Ms. Richardson confirmed that all CCL citations have been corrected.**

**On motion of Lisa Mandel, seconded by Francisco Chabran, this item was received and filed**

**Attachments:**    [SUPPORTING DOCUMENT - DCFS REPORT](#)

### **III. REPORTS**

14. Perfect Image Youth Center Contract Compliance Monitoring Review (11/16/12). (13-0090)

**Michelle Vega asked DCFS staff to try to be more selective with agencies outside of the County.**

**Karen Richardson, DCFS, reported that the County is no longer contracting with this agency.**

**Lisa Mandel requested that DCFS notify Audit Committee members, prior to meetings, when contracts have been terminated with agencies.**

**On motion of Francisco Chabran, seconded by Lisa Mandel, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT - DCFS REPORT](#)

15. McKinley Childrens Center Group Home Contract Compliance Monitoring Review (11/26/12). (13-0091)

**On motion of Francisco Chabran, seconded by Lisa Mandel, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT - DCFS REPORT](#)

16. Mozell Pennington Boy's Center Group Home Contract Compliance Monitoring Review (11/26/12). (13-0092)

**Karen Richardson, DCFS, reported that the children were transitioned out of the agency in February 2013.**

**Lisa Mandel instructed DCFS staff to provide Audit Committee members more timely information with regards to children being transitioned out of agencies.**

**On motion of Francisco Chabran, seconded by Lisa Mandel, this item was received and filed.**

**Attachments:**     [SUPPORTING DOCUMENT - DCFS REPORT](#)

17. Five Acres Group Home Contract Compliance Monitoring Review (11/27/12). (13-0093)

**In response to Lisa Mandel, Ms. Richardson confirmed that issues have been resolved and a corrective action plan was submitted. Lisa Mandel requested the department to remind staff of submitting NSP's timely. The next fiscal review is scheduled to take place in August 2013.**

**On motion of Francisco Chabran, seconded by Lisa Mandel, this item was continued six months to September 4, 2013.**

**Attachments:**     [SUPPORTING DOCUMENT - DCFS REPORT](#)

18. Fred Jefferson Memorial Homes Group Home Contract Compliance Monitoring Review (12/13/12). (13-0094)

**Francisco Chabran instructed DCFS staff to report back with the ages of the children placed at this agency and work with the Auditor-Controller to determine the specifications of the repayment for a loan issued by the agency to an educational institution it manages.**

**Lisa Mandel expressed concern about fiscal findings affecting program services and questioned whether program audits are being executed in a timely manner.**

**Karen Richardson, DCFS, reported that the last program audit was executed in March 2012 and the next program audit is scheduled for April 2013.**

**Diana Flaggs, DCFS, reported that the next audit financial statement is due by September 30, 2013 but she will ask the agency to complete it by June 30, 2013.**



Francisco Chabran instructed DCFS staff to conduct a general visit within two weeks to confirm that the well-being of the children is not affected by the fiscal instability and report back.

On motion of Francisco Chabran, seconded by Lisa Mandel, this item was referred to the Children's Cluster meeting and continued to the June 5, 2013 Audit Committee meeting.

Attachments:    [SUPPORTING DOCUMENT - DEC. 2012 DCFS REPORT](#)  
[SUPPORTING DOCUMENT - MARCH 2013 AC REPORT](#)

19.    Counseling & Research Associates, Inc., DBA Masada Homes - A Foster Family Agency And Group Home Foster Care Contract Provider - Fiscal Review (12/28/12). (13-0213)

Michael McWatters reported that no financial viability issues were found and agency is up to date on taxes.

Latisha Thompson Department of Children and Family Services confirmed that agency has repaid disallowed amounts.

On motion of Francisco Chabran, seconded by Lisa Mandel, this item was received and filed

Attachments:    [SUPPORTING DOCUMENT - AC REPORT](#)

20.    San Gabriel Children's Center, Inc. - A Department Of Mental Health And Department Of Children And Family Services Contract Provider - Contract Compliance Review - Program Years 2009-10, 2010-11, and 2011-12 (12/28/12). (13-0217)

Elaine Boyd, Auditor-Controller, reported that the agency has significant issues and an ongoing analysis is being conducted to determine the amount owed to the County, the analysis is expected to be concluded in two weeks.

Diana Flaggs, DCFS, reported that County Counsel has advised that the agency is entitled to a 90-day notice prior to any funds being collected.

On motion of Francisco Chabran, seconded by Lisa Mandel, this item was referred to the Children's Cluster meeting and continued to the June 5, 2013 Audit Committee meeting.

Attachments:    [SUPPORTING DOCUMENT - AC REPORT](#)  
[SUPPORTING DOCUMENT - DCFS REPORT](#)

21. Mary's Shelter Group Home Contract Compliance Monitoring Review (Orange County) (12/12/12). (13-0244)

**On motion of Francisco Chabran, seconded by Lisa Mandel, this item was received and filed.**

**Attachments:** [SUPPORTING DOCUMENT - DCFS REPORT](#)

22. Dream Home Care Group Home Contract Compliance Monitoring Review (12/13/2012). (13-0247)

**On motion of Francisco Chabran, seconded by Lisa Mandel, this item was received and filed.**

**Attachments:** [SUPPORTING DOCUMENT - DCFS REPORT](#)

23. Dangerfield Institute of Urban Problems Group Home Contract Compliance Monitoring Review (12/13/12). (13-0248)

**In response to Lisa Mandel, Ms. Richardson stated that a compliance status will not be determined until the next review in July.**

**Ms. Richardson explained that the review process is triggered by issues with child safety; NSP's and medical/dental follow ups.**

**On motion of Francisco Chabran, seconded by Lisa Mandel, this item was continued to September 4, 2013 Audit Committee meeting.**

**Attachments:** [SUPPORTING DOCUMENT - DCFS REPORT](#)

24. Childhelp USA Group Home Contract Compliance Monitoring Review (Riverside and Orange Counties) (12/13/12). (13-0249)

**Nedra Jenkins expressed concern about a special incident report that was not completed on time, the corrective action plan for the agency and the frequency in which operation audits are conducted.**

**Karen Richardson, DCFS, reported that the special audit report was generated by multiple incidents, the agency provided the corrective action plan on October 9, 2012 and the program audit is anticipated to be conducted in July 2013.**

**Nedra Jenkins asked that this item be continued to the September 4, 2013 Audit Committee meeting and presented at the next Children's Cluster meeting.**

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**On motion of Francisco Chabran, seconded by Lisa Mandel, this item was referred to the Children's Cluster meeting and continued to the September 4, 2013 Audit Committee meeting.**

**Attachments:**    [SUPPORTING DOCUMENT - DCFS REPORT](#)

25. Casa Editha Foundation, Inc., d.b.a. Ava Lyn's Group Home Contract Compliance Monitoring Review (12/15/12). (13-0250)

**At the request of Lisa Mandel, Ms. Richardson will report back on the status of providing mentors for the children.**

**On motion of Francisco Chabran, seconded by Lisa Mandel, this item was continued to September 4, 2013 Audit Committee meeting.**

**Attachments:**    [SUPPORTING DOCUMENT - DCFS REPORT](#)

26. Bayfront Youth and Family Services Group Home Contract Compliance Monitoring Review (12/13/12). (13-0251)

**On motion of Francisco Chabran, seconded by Lisa Mandel, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT - DCFS REPORT](#)

27. David and Margaret Group Home Contract Compliance Monitoring Review (12/21/12). (13-0252)

**On motion of Francisco Chabran, seconded by Lisa Mandel, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT - DCFS REPORT](#)

28. Institute for Black Parenting, Inc. - A Department of Children and Family Services Family Preservation Program Provider - Contract Compliance Review (1/2/13). (13-0253)

**Karen Richardson, DCFS, reported that the children have been transitioned out of the agency, as of February 2013, but the contract has not been terminated due to an ongoing appeal process between the agency and CCL. The agency was referred to the Treasurer and Tax Collector to establish a repayment plan.**

**Lisa Mandel instructed DCFS staff to report back at the next Audit Committee meeting with the status of a repayment plan.**

**On motion of Francisco Chabran, seconded by Lisa Mandel, this item was continued to the June 5, 2013 Audit Committee meeting.**

**Attachments:**    [SUPPORTING DOCUMENT - AC REPORT](#)

29. Project Six Group Home Contract Compliance Monitoring Review (1/22/13). (13-0531)

**At the request of Michelle Vega, Ms. Richardson stated that a report back will be provided at the next meeting.**

**On motion of Francisco Chabran, seconded by Lisa Mandel, this item was continued to the June 5, 2013 Audit Committee meeting.**

**Attachments:**     [SUPPORTING DOCUMENT - DCFS REPORT](#)

30. St. Anne's Maternity Home - A Group Home Foster Care Contract Provider - Fiscal Review (1/17/13). (13-0535)

**On motion of Francisco Chabran, seconded by Lisa Mandel, this item was received and filed.**

**Attachments:**     [SUPPORTING DOCUMENT - AC REPORT](#)

31. Children's Group Home Ombudsman Semi-Annual Report - July 1, 2012 through December 31, 2012 (2/25/13). (13-1076)

**Michelle Day, Children's Group Home Ombudsman, Auditor-Controller, stated that monitoring reports will be released on a semi-annual basis; her goal is to reach out to the children and make them aware of their rights as well as her advocacy for them. Ms. Day also shares the children's concerns with the Department of Children and Family Services and Probation Department.**

**In the response to Michelle Vega, Ms. Day stated that calls come in through the hotline number; the children's receptiveness varies, privacy is also offered and the goal of the outreach is to visit all group homes.**

**In response to questions posed by Lisa Mandel, Ms. Day indicated that signage, brochures and flyers are used during the presentation and that group home staff is on site however their involvement during her presentation varies. She also confirmed that any deficiencies observed during her visit are reported. Ms. Day introduced Julie Tuttle who works alongside her. She added that the number of calls are minimal however the amount of follow up is or can be extensive. Ms. Day has not encountered any legal issues yet however she has access to Counsel.**

**Lisa Mandel suggested Ms. Day work with the Children's Counsel to bridge the gap between them.**

**Nedra Jenkins expressed the importance of Ms. Day networking with the Children's Counsel and informing them if there are any issues.**

**In response to Michelle Vega, Ms. Day confirmed that information is shared with DCFS and Probation Department. Ms. Richardson stated that follow up is done on each issue.**

**At the request of Lisa Mandel, Ms. Day stated that children are complaining about access to phones and is working on establishing outreach through social media.**

**Nedra Jenkins requested that this item be included in the Children's Cluster agenda.**

**At the request of Francisco Chabran, Ms. Day will include the name of the agency where hotline calls originated from.**

**On motion of Francisco Chabran, seconded by Lisa Mandel, this item was referred to the next Children's Cluster meeting and continued to the June 5, 2013 Audit Committee meeting.**

**Attachments:**    [SUPPORTING DOCUMENT - AC REPORT](#)

- 32.**    **Maryvale Group Home Contract Compliance Monitoring Review (2/26/13). (13-1272)**

**On motion of Francisco Chabran, seconded by Lisa Mandel, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT - DCFS REPORT](#)

- 33.**    **Chinatown Service Center - A Department of Children and Family Services, Health Services, Community and Senior Services, and Probation Department Contract Service Provider - Contract Compliance Review - Fiscal Years 2010-11 and 2011-12 (2/28/13). (13-1235)**

**Elaine Boyed, Auditor-Controller, reported that for the DCFS portion the agency has reallocated funds and provided documentation; a financial plan has been established and management staff has been replaced.**

**On motion of Francisco Chabran, seconded by Lisa Mandel, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT - AC REPORT](#)

34. Probation Department Juvenile Camps - Department of Justice Settlement Agreement Monitoring for June 1, 2012 through August 31, 2012 - Seventh Status Report (3/5/13). (13-1250)

**On motion of Francisco Chabran, seconded by Lisa Mandel, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT - AC REPORT](#)

#### **IV. DISCUSSIONS**

35. Status of FFA and GH form contract language dealing with Compensation (Continued from meeting of 12/5/12). (12-5522)

**Michael McWatters reported that the contract language related to compensation has not been finalized. Bruce Saltzer of the Association of Community Human Service Agencies (ACHSA) remains dissatisfied with the usage of the survey created by the Child Welfare League of America to gauge excessive compensation.**

**Diana Flaggs (DCFS), stated that an agreement for change has not been met therefore no approvals have been obtained. In light of disagreement new solicitation will be reviewed; a date has not yet been determined. Ms. Flaggs stated that part of the reason for a delay is that the State re-wrote regulations to emulate standards set by the Internal Revenue Service (IRS) in an effort to align all regulations with Title 22.**

**On motion of Francisco Chabran, seconded by Lisa Mandel, this item was continued to the June 5, 2013 Audit Committee meeting**

36. Status of Review of Institute for Black Parenting Financial Viability Issues (Continued from meeting of 12/5/12). (12-5523)

**There was no discussion on this item.**

37. Comprehensive Schedule of Audits and Results for DCFS Group Home and Foster Family Agency Contractors. (13-1262)

**There was no discussion on this item.**

38. Probation Group Home Monitoring Report. (13-1263)

**Lisa Campbell-Motton, Probation Department, stated that eight reports have been completed and are in various stages of review. Ms. Campbell-Motton advised that her unit is now fully staffed and announced that the Annual System Improvement Plan meeting is scheduled for June 26, 2013.**

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**There are two adoptions being finalized; details will be provided upon completion.**

**V. MISCELLANEOUS**

- 39.** Matters not on the posted agenda (to be Presented and Placed on the Agenda of a Future Meeting). (13-0985)

**Jim Schneiderman introduced Arlene Barrera, Assistant Auditor-Controller, whom will be the successor to Michael McWatters position.**

**On behalf of the Los Angeles County Board of Supervisors and the Audit Committee, Nedra Jenkins presented a five signature scroll to Michael McWatters for his 32 years of service and retirement.**

- 39A.** Discussion on Needs and Services Plan (NSP) updates. (13-1590)

**At the request of Francisco Chabran the Needs and Services Plan (NSP) updates will be added to the agenda as a discussion item.**

- 40.** Public Comment. (13-0986)

**No members of the public addressed the Committee.**

- 41.** Adjournment. (13-0987)

**There being no further business to discuss, Michael McWatters of the Auditor-Controller's Office adjourned the meeting at 12:03 p.m.**